

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554**

In the Matter of	)	
Connect America Fund	)	WC Docket No. 10-90
A National Broadband Plan for Our Future	)	GN Docket No. 09-51
Establishing Just and Reasonable Rates for Local Exchange Carriers	)	WC Docket No. 07-135
High-Cost Universal Service Support	)	WC Docket No. 05-337
Developing a Unified Intercarrier Compensation Regime	)	CC Docket No. 01-92
Federal-State Joint Board on Universal Service	)	CC Docket No. 96-45
Lifeline and Link-Up	)	WC Docket No. 03-109

To: The Commission

**COMMENTS OF MOBILE FUTURE**

Mobile Future provides these comments in response to the Commission’s further inquiry on alternatives for reforming the universal service fund and intercarrier compensation system.<sup>1</sup> Mobile Future applauds the efforts across the broadband ecosystem to reach a consensus solution that leverages mobile and other rapidly developing technologies to extend broadband into remote, unserved communities. Broadband is the key to winning the future, and wireless technology will increasingly play a critical role in spurring global competitiveness, innovation and sustainable job creation in the United States.<sup>2</sup> Meaningful reform should strive to promote

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<sup>1</sup> *Public Notice, Further Inquiry into Certain Issues in the Universal Service-Intercarrier Compensation Transformation Proceeding*, DA 11-1348 (rel. Aug. 3, 2011) (“Public Notice”).

<sup>2</sup> See Press Release, The White House, *President Obama Details Plan to Win the Future through Expanded Wireless*

ubiquitous mobile broadband access so that all Americans can connect to the economic, safety, and community benefits.

## **I. INTRODUCTION**

In considering reform, the Commission should work towards a framework that provides for the deployment of robust broadband networks – including mobile broadband networks – in a targeted, cost-efficient and technology-agnostic way for the benefit of consumers and the nation’s economy. The America’s Broadband Connect (“ABC”) Plan represents a valuable effort at consensus and recognizes the importance of ensuring the availability of mobile broadband in rural areas.<sup>3</sup> The Commission should ensure, however, that it provides sufficient support for mobile broadband so that no American is denied reasonably comparable access to this crucial technology. In addition, the Commission should expeditiously conclude this proceeding and implement reform to avoid the possibility that those living in areas without access to broadband fall further behind.

## **II. REFORM MUST APPROPRIATELY BALANCE THE COMPETING INTERESTS**

Mobile broadband creates significant new economic opportunities for Americans and offers a powerful “platform for commerce,” especially in rural areas.<sup>4</sup> To fully realize the benefits, however, all Americans, not just those living in urban areas, must have access to mobile broadband. While the wireless industry is aggressively investing to deploy 4G networks (*e.g.*,

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Access (Feb. 10, 2011), <http://www.whitehouse.gov/the-press-office/2011/02/10/president-obamadetails-plan-win-future-through-expanded-wireless-access>.

<sup>3</sup> See Letter from Robert W. Quinn, Jr., AT&T, Steve Davis, CenturyLink, Michael T. Skrivan, FairPoint, Kathleen Q. Abernathy, Frontier, Kathleen Grillo, Verizon, and Michael D. Rhoda, Windstream, to Marlene H. Dortch, FCC, WC Docket No. 10-90 *et al.* (filed July 29, 2011) (“ABC Plan”).

<sup>4</sup> See Julius Genachowski, Chairman, FCC, Remarks on Broadband at a Mobile Future Event, Washington, DC: The Clock is Ticking 5 (Mar. 16, 2011) (“Genachowski Speech”), [http://hraunfoss.fcc.gov/edocs\\_public/attachmatch/DOC-305225A1.pdf](http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-305225A1.pdf).

AT&T plans to expand its 4G LTE deployment to 97 percent of the U.S. population after merging with T-Mobile), millions of Americans living in hard-to-reach rural areas still will not have access to mobile broadband absent additional support.<sup>5</sup> Accordingly, Mobile Future continues to support funding for mobile broadband in underserved areas, including initial deployment costs as well as ongoing operations costs if necessary.<sup>6</sup>

Since the initial pleadings in this proceeding, a broad range of interests have worked together to try and reach a consensus on how to overhaul the universal service and intercarrier compensation rules to redirect funds for national broadband deployment. Mobile Future is encouraged by the progress made and applauds these efforts.

No one plan is likely to satisfy all the interested parties. Mobile Future agrees with the consensus reached in the ABC Plan on the need for an Advanced Mobility/Satellite Fund (“AMF”) for the “provision of mobile broadband service in those high-cost areas that will not receive service as a result of planned commercial mobile broadband deployments.”<sup>7</sup> The creation of an AMF is indeed promising, but funding must be sufficient. The ABC Plan calls for a \$300 million budget for AMF funding, which may prove inadequate to bridge the mobile broadband availability gap even with the continued 4G investment by service providers.<sup>8</sup> The Connect America Fund (“CAF”) proposed in the ABC Plan does, however, give recipients the

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<sup>5</sup> See *Annual Report and Analysis of Competitive Market Conditions with Respect to Commercial Mobile Services, Fifteenth Report*, WT Docket No. 10-133, FCC 11-103, ¶¶ 104, 108 Table 11 (rel. June 27, 2011) (“Network investment remains a centerpiece of providers’ efforts to improve their customers’ mobile wireless service experience.”); Applications of AT&T Inc. and Deutsche Telekom AG; For Consent To Assign or Transfer Control of Licenses and Authorizations, WT Docket No. 11-65, Public Interest Statement at 54-55 (filed Apr. 21, 2011) (stating that the transaction will give AT&T the ability “to increase its LTE deployment from 80 percent to more than 97 percent of the U.S. population”).

<sup>6</sup> See Comments of Mobile Future, WC Docket No. 10-90 *et al.*, at 8-10 (filed April 18, 2011); *Public Notice* at 2 (asking for comment on whether to provide separate funding for fixed broadband and mobility).

<sup>7</sup> ABC Plan, Att. 1 at 8.

<sup>8</sup> *Id.*

option of deploying the most cost efficient broadband technology, including wireless.<sup>9</sup> In this respect, the plan is technology-neutral and would not prevent the use of CAF funding for mobile broadband when it is the most cost-efficient option.

In contrast, the alternative proposal put forth by the State Members of the Federal-State Universal Service Joint Board would limit support to only wireless network construction and would not address the on-going expenses of operating a network in high-cost areas.<sup>10</sup> Supported networks could thus fail if the business model is not economically sustainable. The plan proposed by the rural local exchange carriers would allocate funding for both a fixed and mobile broadband network in high-cost areas but may place an inordinate strain on the fund.<sup>11</sup> The RLEC Plan may also unintentionally fund wireless networks in areas that, while presently unserved, may be the subject of planned commercial deployments. The RLEC Plan could therefore result in the unnecessary funding of wireless network deployments, frustrate business plans, and provide disincentives for private investment.

The Commission must strike the appropriate balance. Reform must aim to achieve the objectives laid out in the National Broadband Plan and take advantage of the cost efficiencies and the added benefits that wireless technologies can provide. As Chairman Genachowski noted earlier this year, the “hunger for mobility” is greater than imagined when the NBP was conceived, and “mobile broadband is being adopted faster than any computing platform in

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<sup>9</sup> *Id.* at 2-3.

<sup>10</sup> See Comments by the State Members of the Federal-State Joint Board on Universal Service, WC Docket No. 10-90 *et al.* at 26, 68 (filed May 2, 2011).

<sup>11</sup> Comments of NECA, NTCA, OPASTCO, and WTA, WC Docket No. 10-90 *et al.* at 83 (filed Apr. 18, 2011) (“RLEC Plan”).

history.”<sup>12</sup> Meaningful reform must include a place for wireless to ensure that all Americans have access to the economic and societal benefits that mobile broadband can provide.

### **III. CONCLUSION**

Mobile Future applauds the efforts of stakeholders to reach consensus on how to re-direct universal service and intercarrier compensation funding to support broadband deployment, including mobile broadband deployment. The Commission should move forward with reform that advances its broadband goals.

Respectfully submitted,

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<sup>12</sup> Genachowski Speech at 4-5.